

LAKE ENTIAT LODGE ASSOCIATED
Annual Meeting of Members
April 23, 2022

INTRODUCTIONS

The Annual meeting of Lake Entiat Lodge Associated was called to order at 9:07 am by Board president Bill Tucker. The meeting was held in the Orchard Hall of the Wenatchee Convention Center in Wenatchee, Washington. Members in attendance represented 102 lots, with 54 attending in person and 43 online. The Board of Directors was introduced:

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| Bill Tucker, President | Bob Hawk, Director |
| Mark Dibble, Vice President | Chad Evans, Director |
| Neil Doherty, Director | Colleen Hilton-Americk, Director (not in attendance) |
| Kim Martin, Director | Kevin Kalberg, Secretary/Treasurer (not in attendance) |

Mr. Tucker introduced the Lake Entiat Lodge Associated staff in attendance: Community Manager Stacey Browning; Lynsey Miller, Administrative Assistant; and Thomas Everly, Facilities/Water Manager. He also introduced the Association's legal counsel, David Bentsen.

APPROVAL OF 2019 MEMBERSHIP MEETING MINUTES

Mr. Tucker presented the minutes of the May 15, 2021, Annual Meeting of the Membership for approval. He asked the membership if anyone would make a motion.

Mark Doennebrink motioned to approve the 2021 Annual Meeting Minutes and seconded by Paul Dobrasz, and the 2021 Annual Meeting Minutes were approved.

2021 YEAR IN REVIEW

Mr. Tucker recapped past Board contributions.

- 2008 short-term rental Covenants.
- 2017 reserves planning.
- 2020 Covenants refresh.

Mr. Tucker provided a review of the Association business for 2021.

- The Board of Directors held 10 Board Meetings.
- The Board started the first large project with Special Capital Reserves: a park restroom.
- The Board assessed options to increase reserves.
- The Board made progress on their transparency with communications.
- The Board held virtual Board Meetings that were open and attended by members.

2020 FINANCIAL REVIEW

Mr. Tucker explained that the 2022 member dues only increased for operations due to the increased cost of living.

Mr. Tucker shared that at the end of 2021, the Major Maintenance reserves were at \$883,336 and that by the end of 2022, they would be at \$1,098,544. He added that the Water System Reserves were \$212,455 at the end of 2021 and would be \$256,545 at the end of 2022. Additionally, the Special Capital Reserves were at \$340,408 at the end of 2021 and would be \$428,608 at the end of 2022.

FACILITIES & MAINTENANCE

Mrs. Martin introduced and thanked all the Facilities & Maintenance Committee members and the Dock Committee: Nick Nelson, Jim Blue, Bill Mann, Stephen Burdick, Chad Evans, Dan Russell, Kyler Kling, Lynn Rehn, Neil Doherty, and Terry Schmitz.

Mrs. Martin discussed the park restroom project. She explained that the permit had been obtained in December of 2021, but the weather had delayed construction. The septic system was completed in March of 2022, the plumbing and rebar inspections had been completed in April of 2022, concrete would be poured next week, and the prefabrication was in progress. Mrs. Martin shared that the project was forecasted to come in under the \$85,000 budget, with the cost to date being \$21,054.40.

Mrs. Martin discussed the dock replacement project. She explained that Grette Associates had been hired to manage the project, with Larry Lehman being the project manager, and The Dock Company had been selected to replace the docks. Mrs. Martin added that permitting was underway and would be completed in about a year, then demo and construction would take place in late 2023 to early 2024. She shared the design for the new docks in the middle basin, explaining that the slips would increase, but not the square footage, and there would be more room for larger boats.

Ms. Browning shared that the annual FireWise curbside pick-up would be from April 27th to May 4th, 2022. She explained that members should not stack their yard waste on the road, their piles should not be more than four feet tall, they should not put out garbage or leaves, and they should not put out yard waste after May 4th. Ms. Browning added that flyers were available in the lobby with more information.

Ms. Browning reminded members that Covenant 1.13.2 requires them to maintain wildfire prevention barrier zones on their lots. She explained that the fire chief, Jim Oatey, had assessed the lots in the community. Only two of the lots still needed to be cleared of the 35 lots noted with heavy fire fuel.

Ms. Browning announced that she had applied for a South Douglas Conservation District cost-share program and that the application had been approved. The program covers 75% of up to \$6,000 spent on the FireWise clean-up of the Chelan PUD border. She added that she was looking into further opportunities and working with the Greater Wenatchee Irrigation District on clearing their land.

LONG-RANGE PLANNING

Major Maintenance Reserves

Mr. Tucker recapped improvements made in 2021 with the Major Maintenance Reserves: the water system alarm, grounds cart, clubhouse, office flooring, clubhouse and office interior paint, central lagoon dock replacement design and permits, office exterior painting, and solar dock lights. He also shared the planned improvements for 2022: continuing dock replacement expenses, maintenance shop and compactor exterior

paint, and exterior clubhouse paint. He added that the 2021 year-end balance of the Major Maintenance Reserves was \$883,336.

Water System Reserves

Mr. Tucker recapped improvements made in 2021 with the Water System Reserves: the Backflow Device Testing Program, meter system repair, and vault additions for split lots and commercial lots. He also shared planned improvements for 2022: the Backflow Device Testing Program and the gate valve repair. He added that the 2021 year-end balance of the Water System Reserves was \$212,445.

Special Capital Reserves

Mr. Tucker recapped improvements made in 2021 with the Special Capital Reserves, which started the park restroom construction. He also shared the planned improvements for 2022, which is the finishing of the park restroom construction. He added that the 2021 year-end balance of the Special Capital Reserves was \$340,408.

Mr. Tucker shared that in 2021 the Long-Range Planning (LRP) Committee sent out a survey to the membership regarding desired community additions/changes. The LRP Committee members included Bree Davis, Bryan Wheeler, Patricia Sells, Taryn Paulson, and committee Chair Chad Evans. 154 members responded to the survey. The top requests included a clubhouse remodel, a hot tub to the pool area, court replacement/dedicated pickleball courts, and a pool cover for year-round access. He stated a follow-up survey would be sent out to clarify further members' wishes regarding the ideas with the most support.

2018-2022 Reserves Plan Performance

Mr. Tucker shared that the outcome of the annual assessment for the Major Maintenance Reserves, of \$338 per lot per year, for the central lagoon dock replacement was the \$1,098,544 that should be in the reserves at the end of 2022. He added that this amount would cover the \$1,062,000 cost bid for the dock replacement. Mr. Tucker stated that this supplemental assessment expires at the end of the year.

2023+ RESERVES ASSESSMENTS

Mr. Tucker proposed a 5 year Major Maintenance Reserves and Special Capital Reserves plan to fund the dock replacement project and add other assets to the community. The plan would begin on January 1, 2023, and go to December 31, 2027. The plan would ensure that there would be enough money left in the reserves for future expenses. For the Major Maintenance Reserves, after \$1,906,200 in expenses and \$2,174,584 in deposits, there should be somewhere between \$253,384 and \$530,000 remaining in this fund. And after assuming \$200,000 in expenses and \$869,608 in deposits for the Special Capital Reserves over this period, there should be \$719,608 remaining. Mr. Tucker directed the members to vote.

SOCIAL EVENTS

Mr. Hawk introduced and thanked all the members of the Social Events & Communications Committee: Patricia Sells, Beth Arias, Alzira Zollo, Kaley Mitchell, Taryn Paulsen, Colleen Hilton-Americk, and Lauren Kutschka. Mr. Hawk also thanked Keri and Aaron Crawford for sponsoring the stage on July 1st.

Mr. Hawk announced all the planned events for 2022. The pancake breakfast on April 24th from 8:30 am to 10:30 am, the community garage sale on May 28th from 9 am to 4 pm, and the 4th of July events: the Bruiser concert on July 1st at 7 pm, the Aaron Crawford concert on July 2nd at 8 pm, the parade on July 4th at 10 am,

the BBQ on July 4th from 11 am to 1 pm, and the fireworks show on July 4th at dusk. The Association will also be doing Books and Backpacks drive in August, the Chili Cook-off on September 4th, and a Wine Tasting Event on October 8th. In December, the final scheduled event is the Clubhouse Decorating/Holiday Social Potluck.

Mr. Hawk announced that members Michael and Susan VanDaveer, with Synthetic Turf Northwest, is fully funding and sponsoring the installation of a frisbee golf course in the community park.

ELECTION OF DIRECTORS

Mr. Tucker announced the candidates for the three open director positions: Bree Davis, Wade Oswald, and Donna Manos. They each took turns introducing themselves. Mr. Tucker then asked the membership if anyone else wanted to enter the running as a write-in. With no response from the membership and only three candidates for the three positions, Mr. Tucker announced that Bree Davis, Wade Oswald, and Donna Manos had been elected by acclamation.

ELECTION OF SECRETARY/TREASURER

Mr. Tucker announced that Kevin Kalberg was running to stay in the position of Secretary/Treasurer but had expressed to Board that he would unlikely be able to continue as Secretary/Treasurer. He asked the membership if anyone else wanted to enter the running as a write-in. With no response from the membership and only one candidate, Mr. Tucker announced that Kevin Kalberg had been elected by acclamation. The Board will continue to search for a permanent replacement.

2023+ RESERVES ASSESSMENTS VOTE RESULTS

Mr. Tucker announced the vote passed to extend the Major Maintenance assessment of \$338 per lot starting January 1, 2023, through December 31, 2027. 75 members voted to extend, and 11 members voted against the extension.

Mr. Tucker announced the vote passed to extend the Special Capital assessment of \$200 per lot starting January 1, 2023, through December 31, 2027. 80 members voted to extend, and 6 members voted against the extension.

COMMUNICATIONS

Mr. Hawk reminded the membership that the website (www.suncove.net) is an excellent place to get information. The Association also communicates via email, e-newsletters, and blasts posted on the unofficial Sun Cove Facebook. He announced that Meeting Minutes were now being made available within 14 days after the Board and Annual Meetings. Also, Mr. Hawk added that the Association also sends out surveys from time to time and that the Board Meetings can be attended virtually. Mr. Hawk reported that there had been 31 new members in 2021.

GOVERNANCE

Mr. Dibble introduced and thanked all the members of the Governance Committee: Kelly Edwards, Larry Simons, Tammy Doherty, Terry Schmidt, Paul Dobrasz, and Jim Blue.

Mr. Dibble shared that in 2021 the Governance Committee updated the Rules & Regulations with two significant changes. One change is that individuals with disabilities can now get a pass that allows them to

use their golf carts on community property to access the marina, playgrounds, and other amenities, and the other for long-term renters to moor their boats, as long as the owner relinquishes their right to moor their boat. He shared that the committee revised the General Fine Schedule with one significant change: members could now be fined \$2,500 for verbal or physical abuse of staff. Mr. Dibble announced that the committee was currently working on updating the By-laws. He added that the committee also worked with the Architectural Review Committee to revise the Construction Rules.

COMMENTS/QUESTIONS

Mr. Tucker welcomed and introduced new members. The floor was opened to members' comments and questions. Concerns shared were about the location of the off-leash park and the need for a new maintenance shop. Members also asked the Board to consider changes to allow additional Annual Meeting voting options, passenger/people drop off in the main dock area, and day passes for owners who have friends with boats.

Mr. Tucker added that the Long-Range Planning Committee would plan to host a town hall meeting for member input this summer.

CLOSING

Mr. Tucker opened the floor for additional questions or comments. As no further business was presented,

Mark Doennebrink motioned to adjourn the meeting at 11:30 am. Bill Kneadler seconded, and with none opposed, the motion passed.

Submitted by Stacey Browning, Acting Assistant Secretary